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It seems that the author should be classed as a member of the psychological school of economists. It may be that the psychological aspects of advertising, though extremely important, are given a disproportionate emphasis. The reviewer suggests that in the next edition the author eliminate or rewrite that portion of the volume devoted to the History of Advertising. Advertising items in ancient Greece, Rome, Egypt, and Jerusalem, the scraps of papyrus exhumed from the ruins of Thebes, and the engravings on the tomb of Diogenes are of no value to the advertiser of today. The author would have done better to trace briefly the market changes following the Industrial Revolution. The development of transportation, the extension of the division of labor with the consequent production of surpluses demanding exchange facilities, the territorial division of labor bringing about the concentration of industries and the growth of world markets are but parts of a general industrial movement which gives the manufacturer a continually extending market. The maker can not go with his wares; therefore he must distribute information (advertising) concerning his goods.

Following this introductory discussion I would bring in the chapter on trademarks which in my judgment the author now has out of its proper setting. Historically and logically the trademark should be given this connection. It is a mark of identification to protect the producer's good-will, to avoid substitution and to make possible the cumulative value of advertising. Historically it was protected by means of capital punishment as early as the thirteenth century and logically it is of the motivating force of advertising. It is the protection and identification which must be in the very beginning of advertising.

I would commend this book to instructors desiring a teachable text. It should be used as a beginning text and followed by the application of its principles in the practical problems of a constructive advertising campaign.

J. R. TURNER.

Cornell University.

Industrial Leadership. By H. L. GANTT. (New Haven: Yale University Press. 1916. Pp. xii, 128. \$1.00.)

Addresses delivered in the Page Lecture series, 1915, before the senior class of the Sheffield Scientific School are published in this volume under the following titles: *Industrial Leadership, Train-*

ing Workmen, Principles, Results of Task Work, Production and Sales. Much of the material is familiar to those who have read Mr. Gantt's *Work, Wages and Profits* and his numerous periodical articles. The restatement in this series summarizes the author's views and experience to date, and marks a progressive broadening of interest from production exclusively to selling and distribution and an increasing tendency to generalize from his experience.

The old bias still crops out, however, in such statements as this: "The central idea of all industry is *production* and all our efforts should be bent on producing as efficiently as possible." Referring then to merchandizing he says: "The buyer . . . has his function as a distributor, which is very different from that of the producer; the two have had but little in common." But on the next page is this: "The problems of production and selling are in reality very closely linked." Then follows a general discussion of certain selling problems, in which Mr. Gantt naïvely discovers such laws as: "If we produce an article for which there is a large command, and sell it for a price which most people can afford to pay, the cost of selling that article in large quantities will be extremely small." Mr. Gantt italicizes this statement. The proposition is illustrated from the experience of the Ford automobile with reference to which he says: "This example seems to refute the theory held by so many business men that a high selling price is necessary to large profits." This discovery is followed by another to the effect that variations in the demand for consumable commodities in response to changes in price differ according to whether the commodities are necessities, luxuries, or conveniences; and this is neatly illustrated by a simple chart labeled "Effect of selling price on consumption."

Throughout the lectures, the author pays his respects to financiers and merchants and incidentally to economists for their failure to solve outstanding industrial problems and for their responsibility for most industrial evils. "Books on political economy are all very well," he says, "but in most cases they were written before the advent of modern industrialism, or by people who have too many times studied it from the academic standpoint." The only way out of the difficulty is to put our reliance on the engineer: "He is the only man who spans the whole gap between the capitalist and the working man and knows the mental attitude and necessities of each. It is on his shoulders, therefore, that must fall the burden of harmonizing their interests."

A due regard for Mr. Gantt's professional bias in favor of the

engineer and his apparent unfamiliarity with the problems, methods, and work of financiers, merchants, and economists will enable one to understand certain evident deficiencies in his treatment of industrial problems. For example, the statement on which he lays greatest emphasis is this: "The authority to issue an order involves the responsibility to see that it is properly executed." It would be hard to overestimate the value and significance of this as applied to the administrator who is concerned with the detailed execution of policies. But after all no degree of perfection in administration will enable a business to succeed which is based on mistaken policies. To formulate and execute policies is not the function of the administrator but of the director; and the ablest directors are rarely those who know the details of administration so well that they can be held responsible for seeing that the details are properly executed. With human limitations as they are, the director must rely for this on the administrator.

Granting that this book deals primarily with industrial administrative leadership, it contains a wealth of sound advice based on a wide and successful experience. As an organizer and administrator Mr. Gantt is doubtless, by reason of seniority and accomplishment, the leading exponent of the principles of scientific management, largely derived from the late F. W. Taylor to whom Mr. Gantt pays sincere tribute. In this book he lays down the principles of leadership by which he has himself attained the position of a leader. The formulation is loose and unschematic, but is usually clear and expressed in terms intelligible to the average student or reader.

This is not a scientific book nor an exposition of scientific management. It is "wisdom literature" for the guidance of men young or old who are engaged in the administration of industrial enterprises, and as such it is to be highly commended.

C. BERTRAND THOMPSON.

The Economics of Retailing. By PAUL H. NYSTROM. (New York: The Ronald Press Company. 1915. Pp. xi, 407. \$2.00.)

The dual aim of this book is "to present fact material" and "to suggest constructive thought on the subject of retail distribution." Neither of these is an easy task. Fact material about retailing is difficult to obtain unless one has more time and larger opportunity to accumulate it than is common. Constructive thinking on a subject so intricate as this and so difficult to understand completely (even in its least complex forms)